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Manager, Tariffs/Special Contracts
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40202

October 19, 2007

RE: Case No. 2007-00449

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT FILING OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY AND KENTUCKY)	CASE NO.
UTILITIES COMPANY OF A SPECIAL)	2007-00449
CONTRACT FOR FIRM GAS SALES)	
AND FIRM TRANSPORTATION SERVICE)	

O R D E R

On October 1, 2007, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") filed a proposed special contract for Firm Gas Sales and Firm Transportation between LG&E's Gas Distribution Business and LG&E's and KU's Electric Generation Businesses. They proposed that the special contract become effective November 1, 2007.

Based on a review of the contract, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed contract and that such investigation cannot be completed by November 1, 2007. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the contract for a period of 5 months.

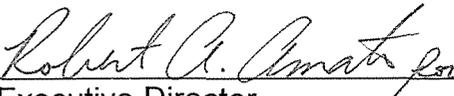
IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of the proposed special contract.
2. The proposed special contract is suspended up to and including March 31, 2008.

Done at Frankfort, Kentucky, this 19th day of October, 2007.

By the Commission

ATTEST:


Executive Director

Case No. 2007-00449